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## CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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COUNTRY	Rumania	REPORT				
SUBJECT	Romagchim	DATE DISTR.	28 January	28 January 1954		
		NO. OF PAGE	s 2	•		
DATE OF INFO.		REQUIREMENT		25X1		
PLACE ACQUIRED		REFERENCES		25X1		
	<u>Tr</u>	nis is UNEVALUATED Information				
		EVALUATIONS IN THIS REPORT ARE DEFINITIVE.				
		(FOR KEY SEE REVERSE)		25X1		

- Romagchim, a Rumanian-Hungarian company, does not exist as such. Instead, there are two separate firms, Romachim in Bucharest and Tiszavideki Vegyikombinat in Budapest.
- 2. Both companies will exploit the natural gas found at Sarmas (Cluj district) in Rumania, where a well has recently been bored. Part of the gas will be piped in undergound pipes to Tiszapalkonya, where the Hungarian plant will be built, and part to the Romachim plant at Hoghiz (Stalin region).
- 3. Plans for the Hungarian plant have been prepared by a 1-sosz (sic) Iparterv and the Melyepito Vallalat, but changes are still being made. Construction is scheduled to begin in 1954 and to be completed in 1956-57. Planned output of the plant is one million cubic meters daily. The gas will be processed into butanol, alcohol, polivinil chloride, acetylen, synthetic rubber, and all their products.
- 4. The office of the Tiszavideki Vegyikombinat is located at 11 Varmegye Street, Budapest V. It employs only 27 workers, although the schedule provides for 67. Laszlo Darvas, former manager of Petinitrogen and the Forte camera factory, is the general manager. Imre Vadas, formerly employed by the Hungarian Planning Council, is the head engineer. Darvas and Vadas, who are on bad personal terms, will soon go to Bucharest on business.
- 5. The following points attest to the connection between Romachim and Tiszavideki Vegyikombinat:
  - a. The USSR is the initiator and controller of both companies.

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b•	The assistant to the general manager of Romachim is also head engineer of Tiszavideki Vegyikombinat.	
c.	A gas-testing station in Bucharest serves both companies.	
d.	The Hungarian Government purchases the gas from Rumania.	
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